



Water Infrastructure Finance Authority of Arizona

NEWS RELEASE

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WIFA Chairman Owens Announces Additional \$46 Million Loan to Lake Havasu City for Continued Wastewater System Expansion

PHOENIX (Oct. 14, 2008) - Water Infrastructure Finance Authority of Arizona (WIFA) Chairman Steve Owens, announced today that the WIFA Board has approved a \$46 million loan to Lake Havasu City for the seventh year of an 11-year program to convert 25,000 septic tanks to gravity sewer lines.

The loan will be used for design, engineering and installation of sewer lines in the Cisco, Fiesta and Palm Tree areas of Lake Havasu City. The loan money also will be used for more than 2,200 new connections in the Brown, Neptune, Havasupai and Canyon Oak areas of the city

“We are pleased to continue our partnership with Lake Havasu City to support this extremely important project,” said Owens, who is also Director of the Department of Environmental Quality. “This project is vitally important as Lake Havasu City builds the infrastructure needed to accommodate its continued growth and protect precious water resources in the area. This additional, low-interest loan also will save the city a very significant amount of money. This is a significant investment in the future of Lake Havasu City.”

Owens pointed out that the low interest rate for the WIFA loan is expected to save Lake Havasu City about \$1 million compared to a conventional bank loan over the course of the 30-year payback period.

Lake Havasu City is constructing the wastewater treatment system to replace thousands of septic tanks that created a serious risk of contamination to groundwater in the area and the Colorado River, as well as to provide the wastewater infrastructure to support future growth and economic development in the city. The system is scheduled to be completed in 2012.

WIFA and Lake Havasu City began their partnership in 2002 with the city’s first request for financial assistance to expand and upgrade its existing treatment facilities, build a new regional treatment facility and construct reuse facilities.

The Water Infrastructure Finance Authority of Arizona maintains and improves water quality in Arizona by providing communities and private water systems with access to low-interest financial assistance and technical assistance needed for basic water infrastructure. For more information, please visit WIFA’s web site at www.azwifa.gov.